

**MINUTES
AUDIT SUBCOMMITTEE
OF THE
LEGISLATIVE MANAGEMENT COMMITTEE**

The Audit Subcommittee of the Legislative Management Committee met in Room 250, State Capitol Building, Salt Lake City, Utah, August 18, 2009 from 3:00 p.m. until 5:00 p.m.

Committee Members Present:

President Michael Waddoups, Co-Chairman
Speaker David Clark, Co-Chairman
Senator Patricia W Jones
Representative David Litvack

Legislative Audit Staff:

John Schaff, Auditor General
Rick Coleman, Deputy Auditor General
Tim Osterstock, Audit Manager
Darin Underwood, Audit Manager
Lynda Maynard, Recording Secretary
Janice Coleman, Audit Supervisor
Kade Minchey, Audit Supervisor
Chris Otto, Auditor in Charge
Broc Christensen, Sr Performance Auditor
Deanna Herring, Audit Supervisor
Candace Ware, Intern Auditor
David Pulsipher, Legis Lead Auditor
David Gibson, IT Auditor

Other Interested Parties:

Dr David Sundwall, Executive Director, DOH
Michael Hales, Director, Dept of Health (DOH)
Nathan Checketts, Asst Director, Health Care Financing,
DOH
Tom Hudachko, Public Inform Specialists, DOH
Deborah Turner, Govt Relations, DOH
David Patton, Ph.D, Deputy Director, UDOH
Shari Watkins, Director, Fiscal Operations, UDOH
Blake Anderson, Asst Director, Health Care Finance
Oscar Fuller, Health & Human Services (HHS)
Brandon Bowen, Budget Analyst, GOPB
Stephen Fletcher, CIO, Exec Director, DTS
Kenneth G. Petersen, Chief Operating Officer, Deputy Dir.,
DTS
Dan J. Becker, Court Administrator, AOC
Robert Steed, Asst Attorney General, Criminal Justice Div

Linda Nehring, Utah Health Policy Project
Dan Schuring, Dept of Workforce Services
Matt Peters, GIS, SDE Administrator, DTS
Daniel Frei, Chief Financial Officer, DTS
Teresa Garrett, Director, Div of Epidemiology, UDOH
Tenielle Young, Budget Analyst, GOPB
Aaron Kimbell, *KUTV*

1. Call to Order

Speaker Clark called the meeting to order at 3:00 p.m.

2. Approval of Minutes

Representative Jones made a motion that the minutes from the June 30, 2009 meeting be approved. The motion passed unanimously.

3a. A Performance Audit of Fraud, Waste, and Abuse Controls in Utah's Medicaid Program (Report #2009-12)

Presented by Kade Minchey, Audit Supervisor

Discussion following Presentation

Dr. David Sundwall, Executive Director, Utah Department of Health, expressed his appreciation for the audit work performed by the Auditor General's staff and for their objective analysis and recommendations that have been so helpful and insightful as the Dept of Health continues to look for improvements in their operation of the Medicaid Program. Dr. Sundwall went on to tell the Audit Subcommittee members that they have accepted all the recommendations and have begun the work required to implement them, with some of the changes already implemented; others will require additional planning, work, and in some cases, funding.

Michael Hales, State Medicaid Director, Utah Department of Health, added that he looked at this audit as an opportunity to improve and create an organizational unit that can be very productive and efficient. Mr. Hales said that as far as the systemic improvements, that may take a couple of years to develop and build.

Motion: Senator Jones made a motion that the **Performance Audit of Fraud, Waste, and Abuse Controls in Utah's Medicaid Program** (Report No. 2009-12) be accepted and referred to the Health and Human Services Interim Committee, the Health and Human Services Appropriations Subcommittee and that the audit staff do a statistical analysis follow-up to this audit. The motion passed unanimously.

3b. A Performance Audit of the Department of Technology Services

(Report #2009-13)

Presented by Christopher Otto, Auditor in Charge

Discussion following Presentation

Steve Fletcher, Executive Director, Department of Technology Services, explained that the points made in the audit were very appropriate as DTS is trying to improve the processes they have in place and the audit gave them a review of what had taken place and how much progress had been made since the inception of DTS.

Kenneth Petersen, Chief Operating Officer, Deputy Dir., DTS, responded to questions from the Audit Subcommittee by explaining that DTS is set up with an IT director who works with the executive directors of each agency to look for deficiencies and come up with technology solutions that would be appropriate and beneficial to the agency.

Motion: Representative Litvack made a motion that the **Performance Audit of the Department of Technology Services** (Report No. 2009-13) be accepted and referred to the Capitol Facilities and Government Operations Appropriation Subcommittee and the Public Utilities and Technology Interim Committee. The motion passed unanimously.

3c. A Performance Audit of the Conversion of Justice Courts to CORIS

(Report #2009-14)

Presented by Deanna Herring, Audit Supervisor

Discussion following Presentation

Daniel Becker, State Court Administrator, thanked the audit staff and said that they were pleased with the results of the audit and the recommendations that were made. The Courts have taken action to address all recommendations and are optimistic that they can have all Justice courts on board with the Court Records Information System (CORIS) by July 1, 2011.

Motion: Representative Litvack made a motion that the **Performance Audit of the Conversion of Justice Courts to CORIS** (Report No. 2009-14) be accepted and referred to the Judiciary, Law Enforcement and Criminal Justice Interim Committee and the Executive Offices and Criminal Justice Appropriations Subcommittee. The motion passed unanimously.

4. New Audit Requests

John Schaff, Auditor General, reported to the Audit Subcommittee that the requesters of the audits on Emergency Room Care and the Disability Law Center have asked that the audits be approved and moved forward.

Motion: President Waddoups made a motion that the request for an audit of Emergency Room Care be taken off “Hold” and placed as Job No. 3 under “Future Audits”. The motion passed unanimously.

President Waddoups asked Mr. Schaff to give a brief description of the audit request for Out-of-State Tuition for Universities.

Mr. Schaff explained that the requesters were trying to find out if students were coming into our area and establishing residency, for in-state tuition, when they were not really residents.

5. Adjournment

Speaker Clark adjourned the meeting at 5:00 p.m.